

SHORT-TERM DISABILITY PLAN

HOW TO FILE A CLAIM

The Short-Term Disability (STD) Plan was established by the County of Los Angeles (County) to provide an income replacement benefit to MegaFlex Cafeteria Plan employees in the event they become ill, injured, or pregnant. The STD Plan is administered by a third party administrator, Sedgwick Claims Management Services (Sedgwick).

The County offers two STD benefit options. Employees may elect either the **Core benefit** or the **Additional benefit** during the Annual Benefits Enrollment.

- **Core benefit** (County paid): requires a waiting period of 14 consecutive calendar days before benefits become payable. A 70% income replacement benefit is paid for the remainder of the approved STD period; or
- **Additional benefit** (Purchased): requires a waiting period of 7 consecutive calendar days. A 100% income replacement benefit is payable for the first 3-week period, followed by 80% income replacement benefit for the remainder of the approved STD period.

Any election changes made during the Annual Benefits Enrollment period will not affect any benefits currently in place, and will not apply to any current disability; it will only affect new disabilities in the future.

DISABILITY

“Disability” means that the employee is unable to perform his/her regular and customary job duties or modified job duties. The following factors, among others, may be considered in determining an employee’s disability:

1. The severity of the employee’s medical condition;
2. The type of work the employee performs;
3. The duration of the employee’s disability;
4. The type of work the employee is capable of performing; and/or
5. The County’s Occupational Health Program has determined the employee is not fit for duty.

It is the responsibility of the employee, not the department, to initiate an STD claim before the last day of the waiting period. To call in a claim, Sedgwick may be contacted at 1-800-786-8600. The employee will be asked to provide information needed to establish a claim.

New Feature: The employee may now file a claim, check claim status, email the STD Disability Specialist, submit claim documentation, and find answers to questions regarding the STD plan online at:

<https://viaoneexpress.sedgwickcms.net>

The employee’s claim is not complete until **both** the employee and his/her physician have contacted Sedgwick and submitted all required information. The employee’s physician must contact Sedgwick within 29 days of the employee’s disability start date. **Failure to contact Sedgwick within the required timeframe will result in the loss of the employee’s STD benefits.**

Once Sedgwick receives the employee’s complete claim, it will be processed within 48 hours. If approved, Sedgwick will notify the employee and his/her department’s payroll unit. If denied, Sedgwick will also notify the employee and provide an explanation for the basis of the denial and instructions for filing an appeal.

5-DAY/40-HOUR WORK SCHEDULE

STD benefit payments are based on an 8-hour day; therefore, the employee must begin a 5-day/40-hour work schedule beginning with the first day of disability.

STD BENEFITS

STD benefits are paid by the County on regular County paydays. Benefits are calculated by multiplying the employee’s monthly salary by the benefit amount the employee elected. STD benefits are paid at a daily rate for each work day the employee is entitled to

STD. The STD benefits are subject to State and Federal withholdings in the year they are received.

STD benefits are not paid in the event of:

1. Self-inflicted injuries;
2. Participation in the commission of a felony;
3. When a disability is not justified by prevailing medical evidence and treatments determined by Sedgwick;
4. A third claim resulting from drug and/or alcohol dependency. These STD claims are limited to two claims per lifetime; and/or
5. The employee receives income from outside employment that has not been reported to Sedgwick and the County.

WAITING PERIOD

The employee does not receive STD benefits during the waiting period. The waiting period begins on the first day of disability, as certified by a physician, and ends after the employee’s 7- or 14-day waiting period. A “day” is an 8-hour calendar day that includes weekends and holidays; however, the employee does not accrue holiday time during the waiting period.

During the waiting period, the employee may use elective and non-elective leave, overtime, holiday time, vacation, or full-pay sick leave accrued **prior** to the disability; or the employee may be absent without pay (AWOP).

NOTE: The employee must start a new waiting period if he/she returns to work for any period of time before the original waiting period is completed.

DURATION OF BENEFITS

STD benefits may continue for up to six months from the employee’s first day of disability, inclusive of the waiting period. STD benefits stop when the employee is no longer disabled, or at the conclusion of the six-month period, beginning from the first day of disability, whichever occurs first. The duration of disability is determined by Sedgwick, based on medical

information received from the physician. Some disabilities have general duration guidelines, for example: a normal pregnancy disability is 10 weeks total (beginning 4 weeks before and terminating 6 weeks after infant is born).

If the employee returns to work prior to the end of the six-month period for less than a 30-day period and needs to be off work again due to the original disability (a recurrence), STD benefits will resume without a new waiting period. A recurring disability or a new disability occurring after the employee has returned to work for 30 days or more will be deemed a new disability. This will result in a new STD claim, with a new waiting period before benefits will apply.

EXTENSIONS OR RECURRING DISABILITY

If the employee’s claim requires an extension beyond the initial approval date, his/her physician must submit an extension form to Sedgwick. Sedgwick must receive the physician’s “extension of disability” within 21 calendar days of the last day STD benefits were paid, or the first day off work for a recurring disability, or as otherwise requested by Sedgwick. Sedgwick will approve or deny continuing STD benefits based on this documentation.

SUBSTITUTION OF ACCRUED TIME

Accrued time may be substituted for approved STD benefits as follows:

1. Accrued time can only be used in whole-day (8-hour) increments. If the employee elects to use accrued time, the employee does not receive any extension of the six-month STD period. If the employee has a partial return to work, STD benefits are only paid for the days/hours Sedgwick has approved.
2. The employee may request to substitute accrued benefits for STD benefits only one time during any single disability.

PARTIAL RETURN TO WORK

In some cases, an employee may be able to return to work on a modified or reduced work schedule. Such

schedules must be pre-approved by Sedgwick, the employee’s physician, and their department. The employee must follow the agreed upon schedule to continue receiving STD benefits.

A previous notice of full-time STD benefits will not be accepted for part-time benefits. If a schedule is approved, Sedgwick will approve part-time STD benefit payments.

Fair Labor Standards Act (FLSA): Exempt salaried employees who are authorized for part-time STD have their benefits processed the same way as FLSA covered (hourly paid) employees; i.e., their hours reflect the hours actually worked, with the balance of scheduled hours coded as STD.

Part-time STD benefit recipients accrue holiday hours proportionate to time worked, i.e., if the employee receives half-time benefits (4 hours worked), he/she will accrue half holiday time (4 holiday hours).

NOTE: When the employee receives whole-day STD benefits, holiday time does not accrue.

IMPACT ON OTHER COUNTY BENEFITS

The employee’s STD period counts as active service for purposes of calculating non-elective leave earnings and any MegaFlex contribution. In addition, any Savings or Horizons Plan match (if the employee is enrolled) will be paid proportionately with the STD benefit amount.

COORDINATION OF STD BENEFITS WITH OTHER DISABILITY BENEFITS

STD benefits will be coordinated with, and may be offset by, any of the following income benefits if paid to the employee for the same disability and time period:

- 1. Any Federal, State, County, Municipal, or other government agency income; and/or
- 2. Temporary Disability benefits paid under California or any other workers’ compensation laws.

If the employee elected the additional benefit and has an approved workers’ compensation claim, the employee will receive State Temporary Disability benefits and will be limited to a maximum STD income replacement benefit of 70%. The department’s payroll unit will reduce the employee’s STD benefit payment by the amount received from State Temporary Disability. The waiting period does not change for the STD portion.

- 3. Any other benefits provided under any employer’s liability law.

STD OVERPAYMENTS

If the employee’s STD benefits are overpaid, the County and/or Sedgwick have the right to recover the overpayment by either requesting a lump sum payment or establishing a repayment plan with the employee, or by subtracting the overpayment amount from any future STD benefit amounts payable to the employee. The County and/or Sedgwick also retain the right to recover any overpayment from the estate of a covered employee.

STD TRANSITION TO LONG-TERM DISABILITY

Should the employee’s disability last longer than the maximum STD benefit period of six months, the employee may qualify for Long-Term Disability (LTD) benefits. **LTD benefit applications are usually sent to STD claimants after four months of continuous absence from work due to a disability. If the employee does not receive an LTD application, Sedgwick may be contacted at 1-800-786-8600.**

**MegaFlex Employee
Guide to the
County of Los Angeles
*Short-Term Disability Plan***



2015 – 2016

This guide provides a summary of the *Short-Term Disability* Plan features and requirements only. For more detailed information, please visit our website at:

http://ceo.lacounty.gov/rtw/rtw_default.htm



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